

# **BBEDC**

## **1<sup>st</sup> Quarter Report 2003**

# TABEL OF CONTENTS

I.	Quarterly Highlights	Page 4
II.	Community Development:	Page 16
	A. Progress toward goals, objectives, milestones	
	B. Outreach	
	C. Employment:	
	1. Data Form	
	2. Summary	
	3. Summary of Employment	
	D. Training:	
	1. Data Form	
	2. Summary	
	E. Other Issues	
III.	Administration:	
	A. Board Activities:	Page 39
	1. Changes in members	
	2. Decisions (see confidential section)	
	3. Board Minutes (see confidential section)	
	B. State of Alaska Reporting Compliance	
	C. Amendment Status	
	D. Other Issues	
IV.	Harvesting and Processing Report:	Page 40
	A. Pollock and Multi-species CDQ Harvest Activities by Target Fishery	
	1. Summary of Harvesting Activities by Target Fishery	
	B. Pollock and Multi-species CDQ Harvest by Quarter and Year-to-Date.	
	1. Consolidated Summary of CDQ Harvesting Activities	
	C. Compliance	
	D. Other Fishing Issues/Activities	
V.	Confidential Issues:	
	A. Financial Statements:	
	1. Consolidated Statements of Activities	
	1. Consolidated Statements of Financial Position	
	3. Consolidated Statements of Cash Flows	
	4. Subsidiary Report – CDQ Group Subsidiary (ies)	
	a. Income Statement (Statement of Activities)	
	b. Balance Sheet (Statement of Financial Position)	
	c. Cash Flow Statement (Statement of Cash Flows)	
	d. Organizational Chart (Current Information)	
	5. Consolidating General and Administrative Expenses	
	6. Budget Summary	
	7. Notes to Financial Statements (Quarterly & YTD CDQ Royalties by Species)	
	B. Tax Issues	
	C. Imminent Major Investments	
	D. Other	



## **QUARTERLY HIGHLIGHTS**

### **1st Quarter 2003**

- Held quarterly board meeting and regular committee meetings
- 4E CDQ Halibut fishery application and advertising began
- Advertised Regional Fisheries Director position
- Staff gave a presentation of the 2003-2005 CDP to several BBEDC communities during the first quarter. Travel was completed to 8 of the 17 CDQ communities including Naknek, Levelock, Port Heiden, Ugashik, Pilot Point, Togiak, Twin Hills, Egegik and Manokotak residents
- Board training was provided by BBEDC staff, CPA and Financial Officer, Robert Leingang
- Hired a Grants Administrator/Writer in March 2003
- An organizational structure review was completed by the Anchorage-based Growth Company, Inc. during the first quarter and reviewed by the BBEDC board during the February board meeting
- Attended Arctic Fjord Annual Meeting in February 2003
- Begun planning process for transferring full-time accounting functions in-house to central office in Dillingham
- BBEDC staff attended International Pacific Halibut Commission meetings in Vancouver, British Columbia in January 2003
- One resident from Naknek worked in the Galley on the Arctic Storm.
- One resident from Togiak worked in the Galley on the Arctic Fjord
- One resident from Naknek worked as a deckhand for Icicle Seafood's
- One resident from Dillingham worked in Quality Control for Icicle Seafood's
- Twenty nine residents from Dillingham, Togiak, Naknek, New Stuyahok, Pedro Bay, Koliganek and Manokotak worked as seafood processors
- One resident from Aleknagik successfully completed an internship as a plant Mechanic in Icicle's Bellingham plant

- One resident from Twin Hills successfully completed an office internship with Fishermen's Finest and is working as a full-time Clerk for Twin Hills Village Council
- One resident from Dillingham started an internship with American Seafood's
- One resident from Dillingham started an internship with Westward Seafood's
- One resident from South Naknek is continuing an office internship with Icicle seafood's Seattle office
- One resident from Dillingham started a shipping and marketing internship with Icicle Seafood's at the Bellingham plant
- BBEDC employment and training staff completed their Career Development courses
- BBEDC staff completed a facilitator training course and is now eligible for the national certification
- Two residents from Dillingham, three from Aleknagik, and one from Levelock completed their Power Boiler Maintenance certification
- Two residents from Dillingham, three from Aleknagik, one from Naknek, and one from Ekwok completed their "6 pack license" class
- One resident completed a wild game and fish processing class at Indian Valley Meats
- BBEDC awarded approximately \$3500 to students from its new Career /College Development Fund
- BBEDC awarded approximately \$36000 to Advanced Voc/Tech Students
- BBEDC employment and training staff peer training courses with the peer workers
- BBEDC staff distributed 1000 issues of a new version of the FishHead Soup Newsletter
- Peer workers continued to assist CDQ and non-CDQ residents with employment and training issues and have been instrumental in generating many employment opportunities for Bristol Bay residents
- Peer workers helped BBEDC in obtaining a list of fishermen for the slush ice bag program
- Peer workers continue to work on village profiles for the BBEDC Web site
- BBEDC staff in conjunction with an independent contractor completed work on redesigning BBEDC Web site

- BBEDC staff participated in the planning process for the Bristol Bay Economic Summit
- BBEDC staff monitored Legislative Salmon Task Force Legislation
- BBEDC staff attended North Pacific Fishery Management Council meetings
- BBEDC staff attended Southwest Vocational Training Center board meeting
- BBRSI submitted a proposal to the North Pacific Research Board (NPRB) to address the Kvichak decline on January 10<sup>th</sup>, which was later successfully funded at \$193,000
- The BBEDC Salmon Restructuring Report and appendices have been posted on the BBEDC website and hardcopies have been sent to about 150 people and organizations. We have also mailed the executive summary and a cover letter to over 2900 permit holders
- Several BBEDC board members attended a trade show in Anaheim, California
- In February 2003 eight students received HACCP training at the Bristol Bay Campus
- In March 14 BBEDC residents participated in a two week refrigeration training course held at the Southwest Vocational Training Center in King Salmon
- The Bristol Bay Permit Brokerage Service coordinated with several IRS staff to provide tax preparation services in Dillingham for CDQ and non-CDQ residents
- Commissioner Edgar Blatchford gave a presentation on the CDQ program on behalf of the Department of Commerce and Economic Development

## **Regional Fisheries Issues**

### **4E Halibut**

Based on a directive from the BBEDC board, the following changes were administered to the 4E halibut fishery application for the 2003 season.

1. A copy of the vessel license will be required
2. Use a two-date application process to enable fishermen the maximum opportunity to provide a completed application before the final deadline

After reviewing results from the 2002 fishery, the BBEDC board agreed to an earlier starting date of May 7 for the 2003 fishery. The fishery began on May 17 in 2002. More Bristol Bay salmon fishermen are obtaining the skills to become halibut fishermen and preseason indications point towards a higher participation rate in 2003, which should produce a longer season and a bigger harvest.

During the first quarter halibut applications for the 2003 season were sent to the 105 fishermen who applied during the 2002 season. Advertisements were placed in CDQ communities and played over the local radio station KDLG, which broadcasts to all Bristol Bay communities.

During the 1<sup>st</sup> quarter, BBEDC began working on arranging annual halibut workshops, which are designed to update CDQ fishermen on National Marine Fisheries Service regulations and innovations related to harvesting techniques. Due to a family emergency the local fishermen who helped give the presentation in prior years had to be replaced. BBEDC staff has been in contact with the NMFS about their role in the workshops.

Last season it was discovered that Bristol Bay halibut fishermen were using the inches to pounds conversion sheet to report halibut weight, which is not in compliance with NMFS regulations. To avoid this problem in 2003, BBEDC approved the purchase of ten scales to be stationed at local halibut ports during the upcoming fishery. The scales will be state certified and will provide NMFS with the official weight of each 4E vessel harvest.

Two BBEDC staff attended the IPHC annual meeting in Victoria, BC. Along with tracking other major policy issues, the main item monitored by BBEDC staff was regulatory changes impacting the 4E halibut fishery. The staff was able to report to Bristol Bay halibut fishermen that the 2003 harvest quota was not decreased.

### **Quality/ Marketing Initiative**

The Regional Fisheries Committee met regularly during the first quarter in an effort to develop a quality and marketing program for Bristol Bay fishermen. Several outside professionals were relied upon to help generate a process that could be realistically implemented during the 2003 season and could also provide a foundation for developing a more permanent program. The

ultimate goal is to have a program in place that ensures fishermen will receive higher ex-vessel prices for their harvest. The Regional Fisheries Committee and staff spent a considerable amount of time during the quarter refining the structure of the plan.

The following is an outline of the 2003 objectives and goals.

**Initiative Objectives:**

- 1) Develop premium markets
- 2) Quality control and handling practices
- 3) Provide local ice making capabilities and delivery systems
- 4) Develop chilling mechanisms for harvesters (drift and set netters)
- 5) Increase revenues for resident fishers

**Short-term goals:**

- 1) Establish a management team to oversee the initiative in the long term
- 2) Solicit widespread local input and participation in the initiative
- 3) Establish an action plan with an attainable schedule and budget

BBEDC recognizes that developing a comprehensive quality and marketing program to create more wealth in the Bristol Bay salmon fishery is challenging and a long-term undertaking. BBEDC has worked hard to help fishermen become more sensitive to market requirements and to produce a product that will produce more value. In 2002 hundreds of fishermen were contacted during the compiling of the Bristol Bay Salmon Restructuring Study, which will be discussed in more detail later in this report. The overwhelming response from the study, among other findings, was that Bristol Bay fishermen realize they have no alternative but to produce a better product in order to compete with farmed salmon in the marketplace. BBEDC will continue to work towards developing quality and handling standards and to create new markets for Bristol Bay salmon.

**Other marketing efforts**

As part of a grant funded program, four BBEDC board members along with a consultant traveled to Seattle and Portland to meet with seafood retail outlets and tour processing and distributing facilities. The trip concluded with attending a trade show in Anaheim, California where board members spent long hours promoting Bristol Bay Wild salmon products and greeting hundreds of people. The Bristol Bay Salmon Exhibit was used as a backdrop. Among other imagery, the exhibit features a large picture of an Alaskan Native fisherman holding a wild salmon.

**Workshops attended**

BBEDC staff participated in a workshop on “Enhancing the Quality and Marketing for Alaska Salmon” in Anchorage. The workshop theme was that markets do exist for quality wild salmon. The discussion centered on how important quality standards are to the market place and how the industry needs to adapt in order to keep abreast of farmed salmon. Most salmon regions of the state were represented at the workshop and were given the opportunity to discuss the outlook for their fisheries.



## **Ice Machines**

BBEDC staff coordinated with BBEDC ice machine communities in advance of the arrival in April of a technician from the Seattle-based manufacturer Wes Stone. The technician will provide maintenance and repair services to the ice machines. In addition, he will also help ready local trainees to provide maintenance services for the machines in the future (Each of the residents has recently successfully completed a two-week refrigeration course sponsored by BBEDC, see below).

Also in March the business manager from the company traveled to Bristol Bay to accompany BBEDC staff on the CDP outreach trips. The purpose was to visually inspect the ice machines in the village setting and to provide a preliminary assessment to the technician in Seattle before his travel in April.

## **Ice Machine Training for BBEDC residents**

BBEDC paid for the cost of 14 CDQ residents to receive training for operating and maintaining the BBEDC ice machines. The training was held at the Southwest Vocational Training Center in King Salmon and lasted two weeks. One student enrolled in a two-year advanced training program and upon completion of the course will be available to assist the other students who completed the basic training.

The goal was to have the training completed before technician from the manufacturer arrived in the communities in April (referenced above). The plan is for the trainees to have the opportunity to work in an understudy capacity while the technician is in the village.

## **Ice machine grant funds**

During the February board meeting BBEDC approved a plan to disperse equally among the six communities with ice machines, the remaining EDA grants funds of \$150,000. Each community will receive \$25,000 and the funds must be applied to expenses involved with the ice machines.

## **Slush bags**

Requests were sent to BBEDC communities seeking input from fishermen who might be interested in receiving slush bags and fish hold insulation for their vessels. The renovations will help fishermen keep their harvest chilled through either a seawater chilling system or the carrying of ice onboard. The requests were sent to both drift and set net fishermen.

## **Economic Development Program Funds**

BBEDC has made several changes to its program guidelines in order to make it easier for CDQ communities to successfully apply for the funds. The three funds are the Community Infrastructure Seed Fund, Economic Development Infrastructure Fund and the Regional Business Loan Fund.

In 2002 the board formed an ad hoc committee called the Match Committee to focus exclusively on the restructuring of the fund requirements. The committee held several long meetings during the first quarter to discuss the application and review process, and to refine eligibility

requirements. Revisions for two of the funds should be completed by the 2003 May board meeting. The remaining fund, the Regional Business Loan fund is expected to be fully revised by the 2003 September board meeting.

Three requests for the Community Seeds funds were approved by the board in February. The board also agreed in concept to approve a request for a community seafood processing plant funded through BBEDC's Economic Development Infrastructure Matching Fund.

## **Bristol Bay Science and Research Institute**

### **Proposal to North Pacific Research Board**

BBRSI successfully submitted a proposal for \$193,000 to the North Pacific Research Board (NPRB) to address the Kvichak decline. BBRSI received notice on January 23rd that the Saltonstall-Kennedy (S-K) grant application submitted during 2002 was approved for full funding at \$144,000. The S-K grant application was to extend the restructuring study to quantify in greater detail community impacts of restructuring.

BBRSI is in the midst of organizing two research projects for this summer that were conducted last year, the Port Moller test fishery and the inshore catch sampling. BBRSI has been approached by ADF&G to provide \$25,000 funding to the Nuyakuk counting tower, a project which is going to be discontinued due to state budget reductions.

### **Salmon Fishery Restructuring Study (BBSFRS)**

The report and its appendices have been posted on the project website and hardcopies have been sent to about 150 people and organizations statewide. BBRSI has also mailed the executive summary and a cover letter to over 2,900 permit holders (from the mailing list used to send the brochures). The number of positive responses has generally outnumbered the negative ones by about 20 to 1 at this point. BBEDC executive committee had talked about possibly conducting some outreach meetings to follow up on the report but no decisions were made during the first quarter.

### **S-K Grant to Model Community Impacts**

BBEDC successfully applied to the Saltonstall-Kennedy grant in 2002 for \$144,000 to conduct community impacts related to the decline in the Bristol Bay fishery. Northern Economics will be employed to model the impacts on communities from the restructuring options identified through the restructuring study.

### **North Pacific Research Board Proposal for the Kvichak River System**

BBSRI submitted a proposal for \$193,000 to conduct the work and host annual technical meetings and public outreach meetings, and to review several of the key issues associated with the different hypotheses. This project will coordinate and catalyze a hypothesis-driven research agenda to identify factors affecting the survival of Kvichak sockeye salmon. BBSRI will conduct several key tasks and investigations as part of an overall collaborative research program comprised of other researchers (NPRB-funded and others). BBSRI will: 1) coordinate collaboration among researchers through a series of annual technical workshops; 2) perform

public outreach in Bristol Bay communities to describe the goals and findings of the various projects and to seek Traditional Ecological Knowledge on the dynamics of the Kvichak stocks; 3) describe changes in the operation and accuracy of a 30-year monitoring program that has enumerated sockeye salmon smolts in the Kvichak River to help determine whether the recent collapse was related to marine and/or freshwater factors; 4) conduct a comparative analysis of the dynamics and age structure of several Bristol Bay sockeye salmon populations to provide evidence for and against alternative hypotheses put forth by other researchers; 5) determine the potential importance of beluga whale predation on smolts as a cause of the decline; and 6) lead and coordinate a synthesis of research findings from the overall research effort and develop recommendations for managers on how, if possible, to reverse the decline and rebuild the stock.

### **Port Moller Test Fishery, 2003**

The Bristol Bay Science and Research Institute will research the efficacy of the Port Moller test fishery and use this information to develop ways of improving the forecasting performance of the program. BBSRI proposes to pair acoustic sampling with the standard test netting program to develop daily and independent estimates of the abundance and distribution of sockeye salmon along the PM transect (between netting stations). This information will provide insights into understanding how (and possibly why) the vulnerability of fish to the test gillnet varies among days and across the season. At a minimum, this information could be used to search for ways of correcting the test indices and improve in-season forecasting performance.

### **Inshore Catch Sampling**

BBSRI is getting lots of interest from our technicians from last summer to join BBSRI again this summer to work on the catch sampling and Port Moller projects. The catch sampling project was very successful with a high ratio of local hire to the money spent. The institute is encouraging and mentoring several individuals to pursue this work as careers. We hope that this pool of people will provide us individuals who could take on a much greater role at BBSRI in the near future. ADF&G is willing to provide \$24,000 for this project, which is integral to management of salmon in the Bay. Last year BBSRI budgeted \$51,000 of BBEDC funds. The total budget in 2003, including ADFG funds is \$75,000.

### **Bristol Bay Permit Brokerage Service**

Due to budget cuts the Internal Revenue Service decided to discontinue the Fish Group program in 2003. Under the program IRS staff made several trips to the Bristol Bay region to prepare individual income tax returns. In response, in 2003 BBEDC increased the amount funded to the Alaska Business Development Corporation's UAA income tax preparation program, which included four volunteers traveling to Dillingham for an extended weekend. The cost of hotel and airfares were \$2,899. The cost incurred for three preparers to travel to King Salmon, Levelock, Egegik, Pilot Point and Port Heiden was \$2,003.

### **Outreach Efforts**

Due to weather and other factors, BBEDC staff was limited in travel to eight of the scheduled 17 BBEDC communities during the 1<sup>st</sup> quarter. Travel to the remaining communities will be completed during the 2<sup>nd</sup> quarter. The purpose of the outreach is to provide a complete overview of the 2003-2005 CDP at the community level. The Chief Operating Officer, Regional Fisheries

& Outreach Coordinator and Employment & Training Coordinator gave the presentations on the corporate mission and individual programs.

BBEDC board members were encouraged to attend the meetings. A question and answer session was included so residents could interact directly with staff and become better informed about BBEDC programs. Among other exchanges, over a hundred halibut applications were distributed and questions at every community were fielded about education and training & employment programs.

Below is a listing of the eight communities and the number of participants. The length of the meetings was generally between two to three hours. The Peer Workers were used to coordinate with community residents (It should be noted that BBEDC did not employ any door prizes or other enticements beyond normal advertising).

- Levelock March 17 -- ten community members attended
- Naknek March 17 -- seven community members attended
- Port Heiden March 18 -- five community members attended
- Togiak March 20 -- forty-one community members attended
- Twin Hills March 20 -- seven community members attended
- Egegik March 21 -- seven community members attended
- Manokotak March 24 -- twenty-one community members attended
- Ekwok March 25 -- thirteen community members attended

## **Webpage redesign**

BBEDC staff worked with an independent contactor to create a new BBEDC web page specifically tailored so the village user with limited capability could reasonably download links on the site. In addition to offering better access to BBEDC's program information, the new site also contains online employment, training and education applications. The new website [www.bbedc.com](http://www.bbedc.com) replaces the original site, which had been in use since inception in 1997.

## **Education**

### **Work Investment Act (WIA) Youth employability project**

The first quarter of the year generally brings a flurry of activity in the WIA program. The WIA program offers participants an opportunity to learn life skills while living in an apartment away from home. It requires arranging transportation, cooking, and decision-making on a daily basis. Other Employability and Work Maturity skills taught through the program include employers' expectations, job performance, refining of interpersonal skills, increasing value as an employee and lessons on how to handle personal finances.

This spring several out-of-school youth were recruited to improve their occupational work skills and gain first-hand experience in work maturity skills. In February and March, four young ladies from Manokotak successfully completed the program: Diana Gamechuk worked at Pen Air as a Reservation Intern, Floretta Nanalook completed an internship as a BBEDC Administrative Assistant and Renee Pauk learned about Health Information Systems at the regional hospital in Dillingham. In Manokotak, Serena Nanalook assisted at the Youth Opportunities Center as the

Project Assistant. Travis Orloff from Port Heiden attended the “A Microcomputer Operating Systems” course at the Southwest Alaska Vocational and Education Center in King Salmon.

This program has been instrumental in providing many young adults in the Bristol Bay region with employment opportunities and future career plans.

### **Harvey Samuelsen Scholarship Trust Fund**

- Monitored scholarship recipients for academic progress and placed 23 students on academic probation. This is an unusually large number with the main reason being attributed to poor grades. A number of the students had their GPA drop below the 2.0 minimum requirement. Students on probation have one school-term to be eligible for 2003-2004 funds.
- Distributed the second disbursement of scholarships for the 2002-2003 award cycle to 56 students for a total of \$50,726. The majority of students are attending higher education institutions in Alaska.
- Developed and implemented a renewal application for returning students. The new application will go into affect during the fall 2003 session.
- Developed an online scholarship application now available on BBEDC’s new website [www.BBEDC.com](http://www.BBEDC.com). Applicants are required to download the completed application and fax it into the Dillingham office with their signature.
- Several changes were incorporated by the HSST board into the scholarship program. The biggest change was to change the funding formula so that an additional \$500 was rewarded to the top 20 students. The financial disclosure requirement in the application was removed because it was discovered that not all applicants were submitting complete financial backgrounds. The board decided it was too time consuming to do background checks on each application. Lastly, all funds will be carried over and redistributed during the following school-year term.
- Printed the 2003-04 scholarship packets and began distributing them among all 2002 applicants. Most of the disbursements will take place during the upcoming second quarter.

### **Salmon Camp**

The majority of the activity will take place during the second quarter of the year. However, planning meetings were held during the first quarter with U.S. Fish and Wildlife and Alaska Department of Fish & Game staff.

The Salmon Camp will have between 20 and 30 students in 2003. Last year, the first year of the camp, there were 15 students from both CDQ and non-CDQ communities. There are two sessions of the camp: one for middle school students and one for high school students. The camps are held during the last two weeks of July in the Wood Tikchik State Park. The plan is to recruit teachers from the four regional school districts in Bristol Bay to participate as instructors and chaperones.

The Salmon Camp was promoted by BBEDC staff during the community CDP presentations. The interest level was high and many residents inquired about how to get their children involved in the program. Several residents made reference to the decline of the commercial fishing industry and the need to get youth involved in the fisheries management aspect of the salmon industry.

The Coastal Impact Assistance Program grant, which provides financial assistance for the camp will be finalized during the second quarter. The amount is \$25,000 for the two-year period of 2003-2004.

### **Peer Outreach Program**

The ten peer workers involved in the program underwent a week-long training session in Dillingham. The training included administrative procedures such as completing weekly reports and timesheets. The Peer Workers also received training on providing outreach services for BBEDC programs. A community resources fair was held involving local regional and state entities who gave an overview of their programs.

The following information contains bullets from the first quarter 2003 involving the eight BBEDC Peer Workers, who are located in seven Bristol Bay communities and in Anchorage.

- With the aid of Anchorage, Koliganek and Togiak peer workers; representatives from the Musk Ox program will be traveling to Bristol Bay villages to instruct local residents about value-added opportunities involved with the processing of the musk Ox meat. At the outset this could provide opportunities for at least two Bristol Bay villages.
- Successful introduction to computers class sponsored by BBEDC was held in Levelock.
- Newhalen Peer Worker referred a family to Consumer Credit Counselors in Anchorage: because of this the family was able to work out of serious debt problems.
- The Peer Workers have developed a great working relationship with Child Support Enforcement and Rural Outreach staff. This relationship has provided:
  1. One person in Clarks Point had a \$35,000 child support bill. However, with the assistance of the CSED staff, provisions were established to allow the balance of the debt removed.
  2. In Naknek, two people who were supposed to be paying approximately \$700 per month will have most of the payment removed after the modification process is complete. One owed over \$10,000 and the other over \$35,000.
  3. In Newhalen one person was relieved of over \$35,000 in child support
  4. Approximately 40 people worked with CSED staff during her visit to Bristol Bay and were able to make significant strides with the agency regarding their obligations.
- Six peer workers attended a training class to learn how to operate computer systems. Each worker passed the course, which enabled them to gain the skills to use their computers proficiently at the village level.
- Three peers completed advanced computer training to earn their A+ certification. All three successfully completed the hardware portion of the class and are continuing with the upcoming software class. The training will enable them to troubleshoot and maintain computers and create networks in their communities.

- The Peer Worker in Chignik Lake was instrumental in encouraging a young man to apply for welding classes at SAVEC that upon completion could lead to an apprenticeship on the North Slope. The Peer Worker program was also able to help him earn his GED with the Bristol Bay Campus in King Salmon.
- The Anchorage Peer Worker assisted a person with job search and referred them to a part-time job at the Southcentral Foundation. The individual was eventually hired full-time. As a result, the Foundation asked the Anchorage Peer Worker to continue referring individuals to them.
- Peers Workers completed village resumes for 27 village residents with information that included amenities available, housing, utilities, equipment, and skilled labor.
- The Peer Worker in Koliganek was instrumental in getting first day care established in the community
- Anchorage peer heard many problems from Bristol Bay fishermen who took out Small Business Assistance loans and face losing possessions because of the inability to pay the loans. As a result of communicating this information to BBNC vice-president and AFN Co-Chair Trefon Angasan, he was able to convene an AFN meeting to discuss the problem. Because of the meeting, the serious problem of Bristol Bay people losing personal assets because of outstanding SBA debts has become a bigger priority with AFN and regional Bristol Bay organizations.
- The Egegik Peer Worker helped find day care providers to allow an individual to be employed full-time
- The Egegik Peer Worker networked with BBNA to coordinate with an individual to allow them to obtain assistance with preparing wills
- The Chignik Peer Worker gathered information on grants and SBA resources to pass on to people interested in starting their own businesses
- Newhalen Peer Worker assisted in the signing up of four students to take a roustabout class. Two of the students were asked to submit their applications to Alyeska for fast tracking on jobs
- The Peer Workers have worked to ensure that Food Bank applications were sent to all villages to enable them (should they decide) to open their own food bank in each village
- The Peer Workers helped approximately 250 fishermen apply for NAFTA assistance. In addition, they followed up on the applications and encouraged those who did not qualify to apply for Trade Assistance Act benefits
- The Peer Worker in Newhalen has signed up four people for veteran's benefits
- The Peer Worker in Naknek signed up one person for veteran's benefits
- The Anchorage Peer Workers compiled a resource manual for all peers to use with information on agencies, schools and benefits
- The Peers network regularly with regional entities and among themselves to share train and job opportunities with each other and local entities. The Peers are also working to compile a comprehensive binder with all the information received
- Anchorage Peer Workers made connection with a local taxidermist who is interested in getting village residents more learned in the trade
- Conferred with BBEDC Employment Coordinator to confirm efforts to establish Bering Sea internship opportunities

## 2003 – 2005 CDP Milestones & Objectives

### II. COMMUNITY DEVELOPMENT

#### A. Progress Towards Goals, Objectives, Milestones ADMINISTRATION

##### 1 *Maintain effective and efficient Board of Directors.*

###### 1.1 **Review board activities annually**

- 1.1.1 Review policies, procedures, articles and bylaws.  
Revisions were made to existing Personnel Policy Manual and Board of Director Manuals, articles and bylaws also revised to reflect those changes during the first quarter.
- 1.1.2 Review committee and officer positions.  
Elections of officers and committee appointments take place annually during the November meeting.
- 1.1.3 Review and revise board calendar.  
The 2003 board calendar was reviewed and adopted at the November 2002 Annual meeting.
- 1.1.4 Conduct board training.  
Reading and Understanding Financial Statements training was provided to the Board of Directors February 18, 2003 by Robert Leingang, BBEDC Financial Officer

###### 1.2 **Develop and maintain strategic and annual plans**

- 1.2.1 Review long range strategic plan and modify as needed.  
The strategic plan is an ongoing effort with the involvement of the Board of Directors and staff.
- 1.2.2 Approve annual operating plan and budget.  
The 2003 annual operating plan and budget were approved at the November 2002 Annual meeting with the exception of the BBSRI annual operating budget which was approved in the February 2003 meeting.
- 1.2.3 Monitor progress of annual operating plan.  
This task is ongoing and monitored by management on a daily and monthly basis. All management staff provides a monthly activity report.

##### 2 *Maintain effective and efficient staff and administration*

###### 2.1 **Review and maintain policies and procedures**

- 2.1.1 Review staff structure.  
BBEDC underwent a voluntary organizational structure review in January 2003. During the February meeting, the Board made recommendations to the Chief Operating Officer to develop a plan to review the staff structure largely based on the outcome of the report. This project will be ongoing through the year.
- 2.1.2 Review and update personnel and Board policies and procedures.  
Revisions were made to existing personnel and corporate manuals during the February board meeting. Additional revisions will be made throughout the year.

###### 2.2 **Recruit and retain skilled staff**

- 2.2.1 Perform staff evaluations.  
Staff evaluations take place on an annual basis.



### **3 *Maintain budgeting, financial planning and reporting and financial controls***

#### **3.1 Allocate royalty income**

- 3.1.1 Allocate all royalties, 50% to ASIF, 45% to Operations, 5% to Scholarship Trust.  
All royalty funds are allocated as required by the CDP during the 1<sup>st</sup> quarter 2003.

#### **3.2 Prepare annual budgets**

- 3.2.1 Develop consolidated and detailed budgets annually.  
This objective was satisfied at the November 2002 annual meeting. The BBSRI Budget was approved separately during the February 2003 meeting.

#### **3.3 Prepare monthly and quarterly financial statements**

- 3.3.1 Prepare and review monthly and quarterly financial statements.  
Quarterly financial statements (as well as monthly statements) are prepared in a timely manner and reviewed by management. The Finance and Audit committee and Full Board review quarterly statements at their scheduled meetings.

#### **3.4 Review fund manager's performance annually**

- 3.4.1 Review fund manager's performance.  
The investment portfolio is monitored continuously and an annual report was reviewed by the Finance and Audit committee and Board of Directors meetings in February 2003. Among other actions, the Finance and Audit committee authorized a search to replace one of the components of the fund manager for the Harvey Samuelsen Scholarship core equities

#### **3.5 Prepare annual audit and approve**

- 3.5.1 Prepare and approve annual audit/agreed upon procedures.  
Staff prepared for the FY 2002 audit during the 1<sup>st</sup> quarter 2003. The audit will take place in the second quarter. Both agreed upon procedures and audited financial statements will be presented to the Board during the May meeting for review and approval.
- 3.5.2 Review and approve auditors.  
This action took place during the February Board meeting. KPMG was retained as the audit group.

### **4 *Meet all regulatory requirements***

#### **4.1 Prepare quarterly reports**

- 4.1.1 Prepare and file quarterly reports.  
Administration is continually working on improving the accuracy and timely submission of the Quarterly report.

#### **4.2 Prepare annual report and audit**

- 4.2.1 Prepare and file annual report and audit.  
During the first quarter, staff coordinated with the auditors to arrive in Dillingham early second Quarter to conduct the 2002 audit. Following Board approval in May, the audit will be forwarded to the state.

#### **4.3 Maintain Community Development Plan**

- 4.3.1 Prepare and submit updates and changes to CDP as needed.  
BBEDC management submits technical and substantial amendments upon requirement. The annual "Housekeeping Amendment" was submitted to the

State in February 2003.

## **COMMUNITY DEVELOPMENT**

### **5 *Manage CDQ's to maximize benefit to BBEDC and limit bycatch***

#### **5.1 Provide oversight and management of all CDQ fishing**

- 5.1.1 Maintain active CDQ fishery management.  
BBEDC's Fisheries Quota Manager is in regular contact with all CDQ harvesting and processing partners to assure full prosecution and compliance with regulatory requirements. The Quota Manager also monitors each CDQ fishery on an ongoing basis.

#### **5.2 Support and maintain real-time management system**

- 5.2.1 Maintain real-time management system.  
In 1998, BBEDC joined with several other CDQ groups and contracted with Sea State to monitor CDQ harvest, bycatch and PSQ levels on a real time basis. This partnership continues into FY 2003.

#### **5.3 Review and approve annual CDQ fishing plans**

- 5.3.1 Review and approve Arctic Storm CDQ Fishing Plan.  
The 2003 Fishing Plan was received and approved during the first quarter of 2003.
- 5.3.2 Review and approve Bristol Leader CDQ Fishing Plan.  
The 2003 Fishing Plan by all parties was received and formal approval is anticipated during the second quarter of 2003.
- 5.3.3 Review and approve United States Seafoods CDQ Fishing Plan.  
BBEDC selected a new "flatfish species" partner for 2003. US Seafoods is harvesting the collective flatfish quotas of BBEDC, CBSFA, CVRF and YFDA in a cooperative manner. BBEDC was chosen to manage the collective quota.
- 5.3.4 Review and approve Kaldestad CDQ Fishing Plan.  
The 2003 Fishing Plan was approved during the first quarter of 2003.
- 5.3.5 Review and approve Icicle CDQ Marketing Plan.  
The 2003 CDQ Marketing Plan with Icicle was approved during the first quarter of 2003.

#### **5.4 Hold annual review meeting with CDQ partners**

- 5.4.1 Arctic Storm Annual Mtg/Review Royalty and Employment Agreements.  
The 2003 Annual meeting took place during the 1<sup>st</sup> quarter 2003.
- 5.4.2 Bristol Leader Annual Mtg/Review Royalty and Employment Agreements.  
The Annual Meeting with Bristol Leader group took place during the first quarter of 2003 in Seattle with the COO, fisheries consultant, and Board representative in attendance.
- 5.4.3 United States Seafoods Annual Mtg/Review Royalty and Employment Agreements.  
The Annual Meeting with US Seafoods is expected to take place in the fourth quarter of 2003.
- 5.4.4 Kaldestad Annual Mtg/Review Royalty and Employment Agreements.  
The Annual Meeting with Kaldestad took place during the first quarter of 2003 in Seattle with the COO, and fisheries consultant in attendance.
- 5.4.5 Icicle Annual Mtg/Review Royalty and Employment Agreements.

#### **5.5 Manage 4E halibut fishery to maximize benefits to residents**

- 5.5.1 Manage fishery to maximize benefits to residents.

During the first quarter staff widely advertised the availability of 4E CDQ halibut permits to residents. The deadline for applications was April 1, 2003. Solicitation efforts included notifications to every CDQ community village, city and tribal offices. All BBEDC Board members were sent the notification as well as advertisements on local cable TV stations, newspaper ads, flyer and posters. Additionally the local radio stations carried announcements and staff regularly contacted the public radio station KDLG and make announcements on the live air show, Open Line.

- 5.5.2 Facilitate the establishment of stable markets for 4E Halibut. Marketing efforts continued through the 1<sup>st</sup> quarter. Marketing consultant continue to follow up on leads from the “Natural Foods Show East”. Board members, staff and consultant traveled to Seattle and Portland Oregon to meet with perspective customers. Board members and marketing consultant attended “Natural Food Show West” in Anaheim. Marketing consultant continues dialogue and supplying sample products to perspective European markets. Staff and the Regional Fisheries committee are continually seeking out halibut and salmon markets for regional fishermen.

- 5.5.3 Hold Workshops to enhance good fishing practices, use of improved gear, and safety.

BBEDC funded a HAACP course for regional fishermen interested in direct marketing their salmon and halibut. The Regional Fisheries Committee directed staff to continue providing local fishermen with slush bags and insulating fish holds of resident fishermen. Regional Fisheries Committee also directed staff to develop a pilot program of providing ice to the fishermen on the fishing grounds and develop incremental handling practices that will lead into quality standards for our product to compete in the world markets.

## **5.6 Work continuously with other CDQ groups on harvesting issues**

- 5.6.1 Work with other CDQ groups on CDQ harvesting issues.

BBEDC’s Fisheries Quota Manager is in regular contact with other CDQ group FQM’s to discuss, evaluate and streamline harvesting issues the groups face. A considerable amount of time was spent during the past four quarters working with other CDQ Quota Managers to resolve some of the “other species” quota shortages that may affect the efficient prosecution of the cod and other quotas. Plans to discuss bycatch impediments and other negative deterrents to effectively prosecute the “other ground fish” species is continually being reviewed by all groups. Regularly scheduled FQM meetings are help with NMFS personnel.

## **6 Maintain and improve outreach and communications**

### **6.1 Provide quarterly newsletter to all residents/entities**

- 6.1.1 Distribute quarterly newsletter. BBEDC staff outsourced a design and layout artist for the first quarter “BBEDC Tide, for information that flows” Newsletter. The newsletter will be mailed out early in the second quarter.

### **6.2 Maintain informational bulletin board in each community**

- 6.2.1 Update information monthly.  
The Peer Worker program has several employees stationed in BBEDC communities that relay information on a regular basis to BBEDC staff and management.

### **6.3 Prepare and distribute Annual Activities Report**

- 6.3.1 Prepare and distribute Annual Activities Report.  
The BBEDC annual activities report will be planned and developed during the 2<sup>nd</sup> quarter 2003. In an effort to avoid mail outs to transient population, staff has opted to delay distribution until after the fishing season.

**6.4 Maintain an Internet web page for BBEDC**

- 6.4.1 Offer a website with current BBEDC information.  
BBEDC continues to utilize a contractor to review, comment and update the web page. BBEDC staff will update the site on a weekly basis.

**6.5 Travel to CDQ communities to promote BBEDC activities and projects**

- 6.5.1 Attend community meeting with IRS, BBNA, Job Fairs, etc..  
BBEDC staff held public meetings in the following CDQ communities to present BBEDC programs and information and projects that will be contained the 2003-2005 Community Development Plan. Levelock, Naknek, Port Heiden, Ugashik, Pilot Point, Twin Hills, Togiak and Egegik Manokotak and Dillingham. Due to weather and other local factors not all 17 communities were accessed. The remaining CDP outreach meetings will be conducted during the second quarter.

Staff also traveled regularly to CDQ communities on employment recruiting efforts (job fairs, etc) and also on behalf of regional fishery committee programs.

**6.6 Advertise projects, training, employment, scholarship opportunities in communities**

- 6.6.1 Send out flyers, radio, cable announcements periodically.  
During the first quarter several opportunities for employment, training, scholarships, and halibut applications were advertised in the region through flyers, radio announcements, faxes to community offices, Board member weekly mail-outs and cable advertisements. See attached appendix – CDQ Community Outreach List.

**6.7 Promote the interests of the CDQ program**

- 6.7.1 Represent CDQ interests at NPFMC and IPHC meeting and other forums.  
BBEDC staff attended NPFMC and IPHC meetings during the first quarter.
- 6.7.2 Promote CDQ's and their continuance.  
Staff is constantly monitoring issues concerning the promotion of new CDQ's and extension of the current program. BBEDC CEO is actively engaged with government officials and representatives from other CDQ groups to promote the CDQ program. During the 1<sup>st</sup> quarter, several CDQ management staff met with Governor Murkowski.

**7 Provide Work Readiness training through Education Initiative**

**7.1 Develop and implement Work Readiness curriculum for regional school districts**

- 7.1.1 Implement Work Readiness program in classroom.  
BBEDC continues to monitor the delivery of the work readiness program through frequent contact, via email, phone and in person meetings.

**7.2 Continue to refine and individualize curriculum**

- 7.2.1 Make program suitable for individual community needs.  
Preparation for the 2003 Salmon Camps began during the first quarter. Disbursements were made to students on behalf of the Harvey Samuelsen Scholarship Trust fund.

### **7.3 Monitor and support delivery of Work Readiness Program**

- 7.3.1 Provide support for program delivery.  
BBEDC continues to monitor the delivery of the work readiness program through frequent contact, via email, phone and in person meetings.

## **8 Maintain in-region ownership of Bristol Bay salmon limited entry permits**

### **8.1 Provide for continued operation of the Bristol Bay Permit Brokerage**

- 8.1.1 Fund the Bristol Bay Permit Brokerage.  
BBEDC continues to fund the BBPB in its administrative budget as a project.

### **8.2 Retain permits in regional resident ownership**

- 8.2.1 Retain 20 permits through tax counseling and brokerage services.  
Although there was frequent contact with permit holders, no permits were classified as saved during the first quarter.

### **8.3 Work with residents to resolve tax and debt problems affecting permit ownership**

- 8.3.1 Contact permit holders in arrears with IRS.  
Several contacts with permit holders were made during the first quarter.
- 8.3.2 Maintained working relationship with IRS and other debt agencies.  
Staff spoke regularly with the IRS staff during the first quarter.

### **8.4 Provide counseling and support to non-CDQ communities**

- 8.4.1 Attain grant funds to extend BBPB services to non-CDQ communities.  
  
BBEDC continues to provide Brokerage contact services to non-CDQ communities through the Bristol Bay Native Associations BIA Credit and finance grant funds.
- 8.4.2 Provide assistance to non CDQ community residents.  
The following non-CDQ communities were serviced during the first quarter.  
Chignik, Chignik Lagoon, Iliamna, Kokhanok, Koliganek, New Stuyahok, Newhalen, and Nondalton.

## **9 Enhance and expand regional fisheries opportunities in Bristol Bay**

### **9.1 Develop an annual regional fisheries work plan**

- 9.1.1 Select several initiatives annually for regional development.  
  
A review of the Board approved 2003 work-plan was conducted during the first quarter by the Regional Fisheries Committee. The RFD Committee recommended that consultant time in 2003 be focused on developing and implementing a Bristol Bay salmon strategy designed to counteract the declining market share for Bristol Bay salmon.
- 9.1.2 Implement annual fisheries development priorities.

The Regional Fisheries Committee and the Match Committee met several times during the first quarter to discuss fisheries priorities.

### **9.2 Investigate and identify under-utilized species**

- 9.2.2 Continue product and market research on identified and possible commercial species.

The Regional Fisheries Committee revisited their commitment to continue to identify new markets and new product forms for regional fisheries in the first quarter.

### **9.3 Develop value-added products and new markets for existing fisheries in Bristol Bay**

#### **9.3.1**

During the 1<sup>st</sup> quarter, several BBEDC board members met with seafood retailers in Washington and Oregon promoted Wild Bristol Salmon. The group also attended a trade show in Anaheim California. In addition, the Regional Fisheries Committee worked with a BBEDC consultant based in Maine to explore several other market possibilities for Bristol Bay salmon in 2003 and beyond.

#### **9.3.2**

Promote emphasis on quality of Bristol Bay salmon.

On behalf of the Regional Fisheries Committee, the BBEDC staff worked with consultants based in Anchorage and Seattle to develop quality standards for the 2003 season.

#### **9.3.3**

Explore value-added and shoulder season opportunities in-region.

See 9.3.1 regarding marketing trips that took place during the first quarter.

### **9.4 Promote Arctic Surf Clam Alaska Inc.**

#### **9.4.1**

Continue efforts to win regulatory approval for projects.

See 9.2.2

#### **9.4.2**

There was no progress made on this issue during the first quarter 2003.

## **10 Develop the Sustainable Flatfish Project**

### **10.1 Work to improve flatfish technology and markets**

#### **10.1.1**

Monitor implementation of flatfish IR/IU

Fisheries Quota Manager was appointed to NPFMC IR/IU committee.

#### **10.1.2**

Track and evaluate project viability.

The Fisheries Quota Manager closely monitors this issue.

#### **10.1.3**

Maintain contact with at least one other group concerning project.

The Quota Manager networks regularly with CDQ groups and their FQM's to share information and refine harvesting abilities.

### **10.2 If project becomes viable, work to improve flatfish technology and markets**

#### **10.2.1**

Work to improve the overall harvest and royalty return for CDQ flatfish.

BBEDC selected a new "flatfish" partner for 2003; US Seafoods is harvesting the collective quota of BBEDC, CBSFA, CVRF and YDFDA in a cooperative manner. BBEDC was chosen to manage the quota. The 2003 Fishing Plan was approved during the first quarter of 2003.

#### **10.2.2**

Research and develop harvest techniques that would improve economics and reduce bycatch.

No activity occurred this quarter.

## **11 *Provide professional planning assistance for regional business and infrastructure projects***

### **11.1 Provide professional team to offer technical assistance**

#### **11.1.1 Advertise availability of business and infrastructure technical assistance.**

Plans are in the works to provide workshops within several CDQ communities on business development and BBEDC's programs during the remainder of 2003. The Technical Assistance team (Alaska Business Development Center) has made efforts to streamline the Technical Assistance application to make it more user friendly during the first quarter.

#### **11.1.2 Provide technical assistance for development of business and infrastructure proposals.**

The interest in Technical Assistance, Regional Business Development, and Regional Business Development increased in 2003. BBEDC is working to better inform tribes, cities and boroughs of the program.

### **11.2 Provide for professional review of funding requests**

#### **11.2.1 Review funding request and make recommendation to the BOD.**

All funding request have undergone a through review with the BOD and recommendation from staff/consultants were included in each review.

## **12 *"Jump start" in-region businesses***

### **12.1 Provide a regional business fund for investment in approved business proposals**

#### **12.1.1 Maintain a \$500,000 fund balance from Capital Fund income each year for possible investment.**

The program guidelines are being revised and are expected to be available during the 3<sup>rd</sup> quarter 2003.

### **12.2 Provide financial support for approved proposals**

#### **12.2.1 Review, approve, and invest in recommended proposals when feasible.**

BBEDC board approved four requests for funding.

### **12.3 Monitor businesses receiving BBEDC financial support**

#### **12.3.1 Monitor activities of business where BBEDC has financial participation.**

During the first quarter, BBEDC had no participants in the program.

## **13 *Jump start in-region infrastructure development***

### **13.1 Provide a regional infrastructure fund to help finance approved infrastructure proposals**

#### **13.1.1 Maintain a \$1,000,000 fund balance in Project Fund each year for possible investment.**

The Fund was budgeted for in the 2003 budget. BBEDC board has approved one application for this program

### **13.2 Provide matching funds for approved proposals**

#### **13.2.1 Review, approve and provide matching funds for recommended proposals when feasible.**

BBEDC board has approved three applications for this program.

### **13.3 Provide \$100,000 per community in seed funds during allocation cycle**

#### **13.3.1 Advertise program.**

BBEDC advertised this program through board members. This information was also presented communities and BBEDC staff during the CDP outreach trips.

#### **13.3.2 Review applications.**

BBEDC board reviewed three applications for this program.

- 13.3.3 Award funding to projects that meet criteria.  
BBEDC board approved three request for funding in this program

**13.4 Monitor proposals receiving BBEDC financial support**

- 13.4.1 Monitor approved proposals for completion and operations.  
BBEDC continues to monitor the sixteen requests from the previous CDP cycle.

**13.5 Provide Ice machines in CDQ communities**

- 13.5.1 Monitor community maintenance and operation of equipment provided under the previous CDP.  
BBEDC staff and a representative from the manufacturer of the ice machine traveled to ice machine communities doing work related to final installation.

**14 “Learn, Practice, Do” Marketing and Sales**

**14.1 Marketing and sales goals**

- 14.1.1 Revise each partner’s annual sales plan and report, required under royalty agreements.  
The project will receive detailed attention during the first part of 2003 when new marketing reports are received and analyzed.
- 14.1.2 Monitor and compare ongoing sales results against the plan.  
Work is beginning on this objective and will continue as the year progresses.
- 14.1.3 Establish criteria to assess benefits and risks of diverting product form a partner’s sales channel to different markets. Consider product diversion where justified.  
Work is beginning on this objective and will continue as the year progresses.
- 14.1.4 Investigate the potential benefits and risks of financing partners to gain greater access to new markets and /or develop new products.  
Work is beginning on this objective and will continue as the year progress.
- 14.1.5 Research investment opportunities in marketing.  
BBEDC will continue to refine and investigate investment opportunities in the marketing arena.
- 14.1.6 Undertake projects to enhance the image & reputation of BB region seafood.  
See section 9.3 for additional information.
- 14.1.7 Consider formation of standing Marketing and Sales Committee of BBEDC’s Board of Directors to guide and monitor the Project.  
No activity was reported during the first quarter. BBEDC anticipates discussing this objective during 2003.

**15 Manage the Capital Investment Fund to provide revenues to BBEDC in perpetuity**

**15.1 Manage CIF to provide maximum return within established investment policy.**

- 15.1.1 Monitor fund to insure adequate performance.  
This is done on a monthly basis by staff and Investment Managers.
- 15.1.2 Reserve funds to meet one year debt service payments.  
This item is budgeted in the 2003 approved CIF budget.
- 15.1.3 Reserve funds to meet cash call requirements of investments.  
This item is budgeted in the 2003 approved CIF budget.

**15.2 Search for and investigate opportunities that meet CIF investment criteria**

- 15.2.1 Identify potential investment options in Schedule of Investments.  
This objective was satisfied late in 2002 with the submission of BBEDC CDP, including the schedule of investments. The board again visited these objectives in a presentation at the February 2003 Board of Directors meeting.
- 15.2.2 Update Schedule of Investments as needed.



- BBEDC is diligent in submitting plan amendments and keeping the CDP up to date with current and anticipated investment information.
- 15.2.3 Search and investigate seafood industry investment opportunities.  
This is an ongoing task for BBEDC staff and consultants. New investment opportunities are evaluated and presented to the Board for consideration on a regular basis.
  - 15.2.4 Perform due diligence on potential investments.  
BBEDC conducts in-depth due diligence on all investments prior to investment.
  - 15.2.5 Present investments meeting CIF criteria to Board for action.  
This is an ongoing task for BBEDC staff and consultants. New investment opportunities are evaluated and presented to the Board for consideration on a regular basis.
- 15.3 Invest in opportunities that meet CIF investment criteria**
- 15.3.1 Obtain state and federal approval for board approved investments.  
BBEDC is diligent and consistent in obtaining state and federal approval of investments before proceeding with the investment. This is standard practice for BBEDC.
  - 15.3.2 Close on approved investments.  
Following the approval process, BBEDC is consistent in following through with investments that meet the CIF investment criteria.
- 15.4 Maintain option of for-profit subsidiary (ASIMCo)**
- 15.4.1 Keep ASIMCo inactive and in good standing.  
This is an ongoing task for BBEDC
  - 15.4.2 Monitor the regulatory and tax environments.  
This is an ongoing task for BBEDC
  - 15.4.3 If investments generate UBI, consider making investments through ASIMCo  
No activity in the first quarter.

## INVESTMENTS

### **16** *Monitor seafood industry investments for performance and profitability*

#### **16.1 Monitor Arctic Fjord Inc. investment**

- 16.1.1 Monitor financial performance on a quarterly/annual basis.  
BBEDC staff monitors performance on a quarterly basis.
- 16.1.2 Attend yearly Board of Director's meeting.  
The yearly meeting was held in early February 2003. Board members Robin Samuelsen and Hattie Albecker attended the day-long meeting as BBEDC's representative.
- 16.1.3 Maintain ongoing discussion between BBEDC and AFI.  
Frequent discussions are held with ASI staff and BBEDC staff. The BBEDC Quota Manager is in daily contact with the partner during CDQ fishing times.
- 16.1.4 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDQ.  
A dividend was declared at the Annual Meeting for FY ending 9-30-01. See Confidential section of the first quarter 2002 report.

#### **16.2 Monitor Neahkahn LLC investment**

- 16.2.1 Monitor financial performance on a quarterly/annual basis.  
This is an ongoing process conducted through a review of the financial statements and other financial information.
- 16.2.2 Attend Board of Director's meeting.

- The board meeting was held in March 2003.
- 16.2.3 Maintain ongoing discussion between BBEDC and ASI.  
See 14.1.3.
  - 16.2.4 Monitor investment performance return after payment to previous owner is complete.  
See Confidential section.
  - 16.2.5 Acquire additional co-op shares as available and prudent.  
This is an ongoing process.
- 16.3 Monitor Bristol Leader Fisheries LLC investment**
- 16.3.1 Monitor financial performance on a quarterly/annual basis.  
Financial information is reviewed on a monthly and quarterly basis.
  - 16.3.2 Attend Management Committee meetings.  
BBEDC's FQM was appointed as the second representative for BBEDC with one board member. One meeting took place during the first quarter.
  - 16.3.3 Maintain ongoing discussions between BBEDC and ALF.  
Regular communications are ongoing between BBEDC management and the ALF management. In addition, the Quota Manager communicates constantly during CDQ fishing with the Fleet Manager.
  - 16.3.4 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP.  
See Confidential section.
- 16.4 Monitor Bristol Mariner, Nordic Mariner and Northern Mariner LLC investments**
- 16.4.1 Monitor financial performance on a quarterly/annual basis.  
Quarterly financials are reviewed on a routine basis.
  - 16.4.2 Attend Management Committee meetings.  
One representative from BBEDC attends and participates in all meetings of the Management Committee.
  - 16.4.3 Maintain ongoing discussions between BBEDC and KMLLC.  
Staff is in frequent contact with Kevin Kaldestad on issues of importance.
  - 16.4.4 Monitor investment performance return of 8.5% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP.  
See Confidential section.
- 16.5 Monitor halibut IFQ's**
- 16.5.1 Review and update lease agreements to maximize profits and enhance longline vessel investments.  
The fishing plan for IFQ's for 2003 has been developed and implemented.  
Lease agreements are in place.
  - 16.5.2 Monitor market performance for lease price.  
This is done on a routine basis to insure maximum return on investment.
  - 16.5.3 Monitor investment performance return of 7% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP.  
See Confidential section.
- 16.6 Monitor sablefish IFQ's**
- 16.6.1 Review and update lease agreements to maximize profits and enhance longline vessel investments.  
The fishing plan for IFQ's for 2003 has been developed and implemented.  
Lease agreements are in place.

- 16.6.2 Monitor market performance for lease price.  
This is done on a routine basis to insure maximum return on investments.
- 16.6.3 Monitor investment performance return of 7% annually over time to meet the Post CDQ Transition Plan goals in Part One, Section V of CDP.  
See Confidential section.

**16.7 Monitor Dona Martita LLC**

- 16.7.1 Monitor performance on a quarterly/annual basis.  
BBEDC staff monitors performance on a quarterly basis.
- 16.7.2 Attend Management Committee meetings.  
One representative from BBEDC attends Management Committee meetings.
- 16.7.3 Maintain ongoing discussions between BBEDC and NFI.  
Regular communications are ongoing between BBEDC management and representatives from the LLC. In addition, the Quota Manager communicates constantly with the fleet manager on CDQ fishing issues.
- 16.7.4 Monitor investment performance return of 8.5% annually over time.  
See Confidential section.

**C. EMPLOYMENT**

**1st Quarter 2003 (please refer to table and summary below)**

**17 *Provide employment for Bristol Bay residents***

**17.1 Provide employment opportunities with CDQ fishing partners**

- 17.1.1 Place a total of 120 entry/advanced hires with Arctic Storm vessels.  
  
During the first quarter 18 hires were recorded.
- 17.1.2 Place a total of 12 entry level hires with North Pacific Fishing if available.  
Employment will take place later during the year in 2003. US Seafoods is now BBEDC's flatfish industry partner.
- 17.1.3 Place a total of 6 entry level hires with Bristol Leader Fisheries if available.  
There were two hires during the first quarter.
- 17.1.4 Place a total of 4 entry level hires with Kaldestad Fisheries if available.  
There were two hires during the first quarter.
- 17.1.5 Place a total of 2 entry level/trainee hires with Dona Martita if available.  
This activity will take place later in the year.

**17.2 Provide employment in advanced positions with CDQ fishing partners**

- 17.2.1 Track advancement of BBEDC residents on Arctic Storm vessels.  
This is an ongoing process.
- 17.2.1 Track advancement of BBEDC residents on North Pacific vessels.  
This is an ongoing process.
- 17.2.2 Track advancement of BBEDC residents on Bristol Leader vessels.  
This is an ongoing process.
- 17.2.3 Track advancement of BBEDC residents on Kaldestad vessels.  
This is an ongoing process.
- 17.2.4 Track advancement of BBEDC residents in Icicle employment.  
This is an ongoing process.
- 17.2.6 Track advancement of BBEDC residents on Dona Martita employment.  
This is an ongoing process.

### **17.3 Continually develop the program and work with other entities**

#### **1st Quarter 2003 (please refer to table and summary above)**

17.3.1 Develop two initiatives annually that encourage and expand employment.

This is an ongoing task for BBEDC

17.3.2 Work cooperatively with other Bristol Bay and Statewide service providers.

This is an ongoing task for BBEDC

### **17.4 Set up the Peer Outreach Project**

17.4.1 Recruit and hire 1 Peer Coordinator and 8 Peer Workers.

This process was completed in 2002 and the individual peer workers are being overseen and monitored on regular basis.

17.4.2 Provide computer stations in 9 different Bristol Bay villages including satellite dish, computer, printer, and fax for community use.

This task was undertaken in 2002 and further progress will be reported in 2003.

17.4.3 Assist placement of residents in employment or training program.

This is an ongoing task for BBEDC

### **17.5 Support and train Peer outreach staff and create a newsletter**

17.5.1 Provide ongoing support and training for Peer Outreach Staff.

The ten peer workers involved in the program underwent a week-long training session in Dillingham. The training included administrative procedures such as completing weekly reports and timesheets. The Peer Workers also received training on providing outreach services for BBEDC programs. A community resources fair was held involving local regional and state entities who gave an overview of their programs. Six peer workers attended a training class to learn how to operate computer systems. Each worker passed the course, which enabled them to gain the skills to use their computers proficiently at the village level. Three peers completed advanced computer training to earn their A+ certification. All three successfully completed the hardware portion of the class and are continuing with the upcoming software class. The training will enable them to troubleshoot and maintain computers and create networks in their communities.

17.5.2 Produce a monthly newsletter containing employment & training information.

The Fishhead Soup newsletters were completed and distributed to BBEDC communities.

17.5.3 Develop and provide two additional methods for employment, training, and other essential program outreach annually.

This is an ongoing task for BBEDC

17.5.4 Organize regular workshops and group and individual meetings in communities to assess residents' work readiness.

This is an ongoing task for BBEDC

### **17.6 Develop a regional Jobs and Skills data base. "Cast the Net"**

#### **No activity in the first quarter.**

17.6.1 Research, write and submit grant funding request for project.

This is an ongoing process.

17.6.2 Design local job availability surveys and database.

This is an ongoing process.

- 17.6.3 Conduct regional survey of available and future jobs.  
This is an ongoing process.
- 17.6.4 Develop plan for training residents and providing needed skills.  
This is an ongoing process.
- 17.6.5 Update jobs and skills survey periodically.  
This is an ongoing process.

**17.7 Improve work readiness of the youth in the region**

- 17.7.1 Improve the number of "older" youth (age 19-21) entering the workforce.  
This is an ongoing task for BBEDC
- 17.7.2 Improve the readiness of "younger" youth to enter the workforce.  
This spring several out-of-school youth were recruited to improve their occupational work skills and gain first-hand experience in work maturity skills. In February and March, four young ladies from Manokotak successfully completed the program
- 17.7.3 Meet the reporting and legal requirements of the grant as reflected by a satisfactory rating from the granting agency.  
BBEDC is diligent in submitting all reporting and legal requirements and this has been completed in the first quarter.

**D. TRAINING**

**18 Develop the human resource potential of Bristol Bay residents through vocational training 1st Quarter 2003 (please refer to table and summary below)**

**18.1 Provide Adult Basic Education and General Education Diploma training**

- 18.1.1 Provide ABE training for up to 150 residents.  
There were nineteen CDQ and non-CDQ residents trained during the first quarter.
- 18.1.2 Provide GED training for up to 16 residents.  
There were fifty CDQ and non-CDQ residents trained during the first quarter.

**18.2 Provide basic vocational/technical training in region**

- 18.2.1 Provide basic vocational / technical training for up to 40 residents.  
There were 32 CDQ residents trained during the first quarter.
- 18.2.2 Have training in the individual communities when possible.  
Training occurred during the first quarter in Dillingham, Levelock, Egegik and Togiak.

**18.3 Provide advanced vocational technical training in approved programs**

- 18.3.1 Provide advanced vocational / technical training for up to 5 residents.  
There 28 CDQ residents trained during the first quarter.

**18.4 Provide internships in various settings**

- 18.4.1 Place at least 2 interns with ADF&G.  
This activity will take place during the second quarter.
- 18.4.2 Place at least 1 intern in BBEDC's office.  
Three interns were utilized in the BBEDC office during the first quarter.
- 18.4.3 Place at least 2 interns with businesses/agencies.  
This will be completed during the second quarter.

**18.5 Provide vocational training opportunities to non-CDQ community residents**

- 18.5.1 Provide vocational training opportunities as funding is available.  
This is an ongoing process for BBEDC.

**18.6 Provide training opportunities with fishing partners**

- 18.6.1 Place at least 10 interns on Arctic Storm vessels.  
Interns are not accepted during the A season.

- 18.6.2 Place at least 2 interns in office or other settings with Arctic Storm.  
There was one intern during the first quarter 2003.
- 18.6.3 Place at least 3 interns in office or other settings with Icicle Seafoods.  
There were three interns during the first quarter.
- 18.6.4 Place at least 3 interns in support operations with Icicle Seafoods.  
Please see the aforementioned milestone.
- 18.6.5 Place at least 2 interns in offices of NPFI, BLF, or KFL.  
This is an ongoing process for BBEDC.
- 18.6.6 Place at least 1 intern in the offices of DMLLC.  
This is an ongoing process for BBEDC.
- 18.6.7 Place at least 2 interns in office or other settings with Westward.  
BBEDC had one intern during the first quarter.

## **E. OTHER ISSUES.**

### **SUBSIDIARIES**

#### **19 *Provide academic scholarship program for CDQ community residents***

##### **19.1 Manage Harvey Samuelsen Scholarship Trust to provide growth in perpetuity**

- 19.1.1 Inflation-proof Trust.  
The earnings from the trust, after scholarship distributions, are used to inflation proof the trust. In addition, five percent of the royalty income is deposited in the trust account.
- 19.1.2 Review Trust investment policy.  
A portion of the policy was reviewed during the February board meeting. The remaining policy will be reviewed in subsequent board meetings.

##### **19.2 Award scholarships annually**

- 19.2.1 Award 3% of previous year's Trust balance in scholarships.  
Some of 2002 disbursements were distributed during the first quarter. The award cycle begins during the second quarter 2003.

##### **19.3 Provide management of scholarship program**

- 19.3.1 Provide for management of program and monitor performance.  
Ongoing task with BBEDC.
- 19.3.2 Obtain 501c3 status for the H.S.S. Trust.  
The Harvey Samuelsen Scholarship Trust (HSST) applied for and received a separate 501C3 status with the Federal government and became a separate subsidiary company in BBEDC.
- 19.3.3 Maintain the operation of an online scholarship application.  
Online application became available online during first quarter 2003.

##### **19.4 Develop and Implement the Student Loan Forgiveness Project**

- 19.4.1 Design and implement the project.  
Ongoing task with BBEDC.
- 19.4.2 Monitor and report on the project.  
No activity/reporting for this quarter. The program is in the developmental stage.

##### **19.5 Initiate the Career & College Development Fund**

- 19.5.1 Identify and place 40 residents annually in this program by 2005.  
The program is being developed and there were five individuals who were funded during the first quarter.
- 19.5.2 Track residents participating in this program.  
This is an ongoing process for BBEDC.
- 19.5.3 Continue to advocate for quality internet services in all CDQ communities in order

to make distance delivery education efficient and reliable.  
Ongoing task with BBEDC.

**20 *Promote in-region scientific research and education programs***

**20.1 Establish and fund Bristol Bay Science and Research Institute**

- 20.1.1 Maintain core funding to the Institute.  
BBRSI successfully submitted a proposal for \$193,000 to the North Pacific Research Board (NPRB) to address the Kvichak decline. BBRSI received notice on January 23rd that the Saltonstall-Kennedy (S-K) grant application submitted during 2002 was approved for full funding at \$144,000. The S-K grant application was to extend the restructuring study to quantify in greater detail community impacts of restructuring.
- 20.1.2 Provide education, employment and mentoring programs to increase local participation in fisheries research and management.  
No activity to report for this first quarter.

**20.2 Implement research**

- 20.2.1 Develop a research plan for Bristol Bay.  
BBRSI is in the midst of organizing two research projects for this summer that were conducted last year, the Port Moller test fishery and the inshore catch sampling. BBRSI has been approached by ADF&G to provide \$25,000 funding to the Nuyakuk counting tower, a project which is going to be discontinued due to state budget reductions.

**20.3 Support Fisheries research with grant funding**

- 20.3.1 Secure external funds to support fisheries research and monitoring in region.  
Ongoing task with BBEDC
- 20.3.2 Conduct applied research to improve the management of area fisheries.  
Ongoing task with BBEDC

**20.4 Develop the “Salmon Camp” Project**

- 20.4.1 Develop Curriculum and follow up enrichment activities.  
This activity takes place during the second and third quarter 2003.
- 20.4.2 Recruit students interesting in fisheries related careers.  
This activity takes place during the second quarter.
- 20.4.3 Increase student’s awareness of and interest in fisheries and natural resource careers.  
This activity takes place during the second quarter.

**OTHER ISSUES.**

**GRANTS**

**21 *Develop Grants Projects to supplement BBEDC’s income***

**21.1 Increase Grant funding of projects each year of the CDP**

- 21.1.1 Grant funds will support at least 5% of the total budget of non-profit projects in 2003.  
This is an ongoing process for BBEDC.
- 21.1.2 Grant funds will support at least 10% of the total budget of non-profit projects in 2004.  
This is an ongoing process for BBEDC.
- 21.1.3 Grant funds will support at least 15% of the total budget of non-profit projects in 2005.  
This is an ongoing process for BBEDC.

**21.2 Increase Grant funds each year to support Administration**

- 21.2.1 Grant funds will support at least 5% of the total administrative budget associated with non-profit projects in 2003.  
This is an ongoing process for BBEDC.
- 21.2.2 Grant funds will support at least 10% of the total administrative budget associated with non-profit projects in 2004.  
This is an ongoing process for BBEDC.
- 21.2.3 Grant funds will support at least 15% of the total administrative budget  
This is an ongoing process for BBEDC.

**21.3 Grant fund will support 100% of managers salary by 2005**

- 21.3.1 Grant funds will support at least 50% of grant manager's salary.  
This an ongoing process for BBEDC.
- 21.3.2 Grant funds will support at least 75% of grant manager's salary.  
This an ongoing process for BBEDC.
- 21.3.3 Grant funds will support at least 100% of grant manager's salary.  
This an ongoing process for BBEDC.

**21.4 Grant project will comply with all necessary requirements**

- 21.4.1 Grants will be administered and reported as per all grant and legal requirements for each specific grant.  
BBEDC hired a grant writer/administrator during the first quarter to ensure that all reporting requirements are met.
- 21.4.2 Evaluate and if feasible develop a process for assisting communities with grant writing and administration in 2003.  
BBEDC has a contract with Alaska Business Development Center and a limited amount of activity took place during the first quarter.
- 21.4.3 Assist BBEDC communities in writing and administering their own grants if feasible, subject to need and available funding.  
Please see the above milestone.



**Employment Data**  
**1st Quarter Jan 1st - Mar 31<sup>st</sup>**

	Quarter		Year-to-Date	
	People	Wages	People	Wages
<b>Management/Administrative</b>	11	155,386	11	155,386
<b>Community Liaisons</b>	0	0	0	0
WIA Grant	7	6,708	7	6,708
Peer Outreach Project	10	68,231	10	68,231
<b>CDQ Pollock Related</b>	0	0	0	0
A Season	18	144,949	18	144,949
B Season	0	0	0	0
Yellow Fin	0	0	0	0
Hake Trips	0	0	0	0
Shipyard	0	0	0	0
<b>Other Fishing</b>	4	31,378	4	31,378
*4E Halibut fishery	0	0	0	0
<b>Other Employment</b>	9	39,039	9	39,039
<b>Internships</b>	8	40,436	8	40,436
Total	<b>67</b>	<b>486,127</b>	<b>67</b>	<b>486,127</b>

## Employment Summary

### Pollock A Season

Five people worked for American Seafood's in the first quarter with four of them earning wages that will be paid in the second quarter 2003.

Thirteen residents worked for Arctic Storm in the first quarter.

### 4E halibut Fishery

\*The fishery will begin during the second quarter 2003. Preparation for the application process began during the first quarter.

### Other Fishing

One resident each from Levelock and Dillingham worked crab fishing in the first quarter 2003. One resident each from New Stuyahok and Dillingham worked for Alaska Leader in the first quarter and will have wages paid in second quarter 2003.

## Other Employment

Two residents from Togiak worked as seafood processors for Westward Seafood's. A total of seven residents from Dillingham, New Stuyahok, Pedro Bay, and Naknek worked as seafood processors for Icicle Seafood's during the first quarter.

### Training Data 1st Quarter Jan.1<sup>st</sup> - Mar.31<sup>st</sup>

	Quarter		Year-to-Date	
	People	Expenditure	People	Expenditure
<b>Scholarships</b>				
Post-secondary	61	54,221	61	54,221
Vocational	0	0	0	0
<b>Voc-Tech Classes</b>	0	0	0	0
Advanced Vocational	28	35,260	28	35,260
Basic Vocational	32	6,696	32	6,696
<b>Other Training</b>	0	0	0	0
CDQ Staff/Board	29	22,372	29	22,372
ABE/GED	59	0	59	0
GED Diplomas Earned	3	0	3	0
<b>Other Expenditures</b>	0	0	0	0
Educational Institutes	See Basic Vocational above	0	0	0
Education Endowment Funds	None 0	0	0	0
<b>Other</b>	None 0	0	0	0
<b>Total</b>	<b>212</b>	<b>118,549</b>	<b>212</b>	<b>118,549</b>

## Training Summary

### Scholarships

Five scholarships were awarded to residents from Dillingham, Naknek and Togiak through the BBEDC College Development Fund for a total expenditure of \$2,495.

### Vocational/Technical

#### Advanced Voc/Tech

Twenty eight residents from Dillingham, South Naknek, Manokotak, Naknek, Togiak, Levelock, Aleknagik and Ekwok received advanced vocational training in the following.

Heating/Refrigeration, Cosmetology, Human Services, Architectural Engineering, Auto Engines, Welding, Nursing, Power Boiler Maintenance Processing Wild Fish and Game, OUPV 6 Pack and 100 ton Coast Guard License, and Computer training.

## **Basic Voc/Tech**

There were four classes provided during the first quarter. An introduction to personal computer was held in Levelock for six students. Six students attended a computer business application course in Egegik. A Beyond Customer Service course was held in Dillingham with fourteen students. Five students attended an Effective Writing Class in Dillingham.

## **Internships Summary**

### **Icicle Seafood's Office**

One resident from South Naknek worked as an intern in Icicle Seafood's Seattle office and. This is our first family taking advantage of the internship and has been a very successful arrangement.

### **Icicle Vessel/Plant**

One resident from Aleknagik finished his Maintenance internship in the Bellingham plant and another resident from Dillingham started an internship in Shipping/Marketing in the Bellingham plant.

### **Bristol Leader**

Two residents from Dillingham and Manokotak worked as interns for Bristol Leader, one in the Engine room and one in the Galley. The galley intern was so well liked and the cook wanted her to return for the last trip, so he gave her a bonus of a plane ticket to Hawaii.

### **Arctic Storm Office**

One resident from Naknek finished up an advanced internship in the Human Resources department at Arctic Storm. This individual also was attending school part-time while during the last three months of the internship.

### **American Seafood's Office**

One resident from Dillingham started an internship with American Seafood's working in the Seattle office he is doing a wide variety of things but especially has excelled at assisting with the roe auctions. He also went to Dutch Harbor to see the boats and visit with crew from Western Alaska.

### **Westward Seafood's Office**

One resident from Dillingham started an internship with Westward Seafood's working in the Seattle office with the Human Resources staff.

## **In-House Training**

BBEDC had three interns funded through the WIA grant in the Dillingham office this quarter. One intern was from Manokotak and two were from Dillingham.

### **CDQ Staff/Board training**

Ten peer workers and the BBEDC Employment and Training Director and Coordinator received week long training on administrative procedures including, weekly reports and timesheets. The Peer Workers also received training on providing out reach for BBEDC programs and community resources fair involving local regional and state entities.

BBEDC's Financial Officer Robert Liengang provided the seventeen BBEDC board members training on interpreting financial statements.

## **ABE-GED**

Fifty nine residents from Clarks Point, Dillingham, Manokotak, New Stuyahok, Non- Dalton, Perryville and Togiak participated in several ABE programs. Three GED diplomas were earned by residents from Dillingham.

## **Work Investment Act Grant**

BBEDC had four internship positions through the WIA grant program. One resident from Manokotak worked as a ticket agent at Pen Air. Another from Manokotak worked as an intern at the Youth Center in Manokotak. A third from Manokotak worked as an intern in Information Technology at the Bristol Bay Area Health Corporation. An intern from Port Heiden worked learning ITT computer training skills at SWAVEC.

## **III. ADMINISTRATION**

### **A. Board Activities**

In February 2003 Harry Wassily, replaced Esther Floresta as the board member representing the City of Clarks Point.

### **B. State of Alaska Reporting Compliance**

There are no issues pending.

### **C. Amendment Status**

<b>Amendment #</b>	<b>Amendment Description</b>	<b>Date Received</b>	<b>Date Forwarded</b>	<b>Approval Received</b>
SA 03-01 BB	Transfer of 11,000 MT Pollock and bycatch to CVRF	1/17/03	1/17/03	1/30/03
SA 03-02 BB	Transfer of various flatfish from CVRF to BBEDC for the flatfish pool.	1/24/03	1/27/03	1/31/03
SA 03-03 BB	Transfer of various flatfish from CBSFA to BBEDC for the flatfish pool.	1/24/03	1/27/03	1/31/03
SA 03-04 BB	Transfer of various flatfish from YDFDA to BBEDC for the flatfish pool.	1/24/03	1/27/03	1/31/03
TA 03-05 BB	Added Ocean Peace and SeaFreeze to the CDP.	1/28/03	1/28/03	1/30/03
SA 03-06 BB	Transfer of Rockfish from YDFDA to BBEDC for the flatfish pool.	2/12/03	2/12/03	1/13/03
SA 03-07 BB	Transfer of Rockfish from CVRF to BBEDC for the flatfish pool.	2/12/03	2/12/03	1/13/03
TA 03-08 BB	Transfer of 10 MT of Other Species from CVRF to BBEDC for the flatfish pool.	3/26/03	3/26/03	

Note: A housekeeping amendment was also submitted, but not reflected in the table above.

#### **D. Other Issues**

There are no other pending issues.

## IV HARVESTING REPORT

### IV Harvesting and Processing Report

#### A. Target Fishery Harvest Activity

Pollock Target Fishery Harvest Activity First Quarter as of March 31, 2003								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	8,130.784	8,105.451				8,105.451	100.000%
B Season (60%)	mt	12,196.176					0.000	0.000%
BS Pollock Total	mt	20,326.960	8,105.451	0.000	0.000	0.000	8,105.451	100.000%
<b>Bycatch</b>								
Pacific Cod	mt	3,500.509	25.838				25.838	0.319%
BS FG Sablefish	mt	58.000					0.000	0.000%
AI FG Sablefish	mt	88.350					0.000	0.000%
BS Sablefish	mt	43.072					0.000	0.000%
AI Sablefish	mt	23.670					0.000	0.000%
WAI Atka Mackerel 543	mt	815.176					0.000	0.000%
CAI Atka Mackerel 542	mt	1,204.367					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	423.639					0.000	0.000%
Yellowfin Sole	mt	3,569.440	1.281				1.281	0.016%
Rock Sole	mt	1,802.200	30.990				30.990	0.382%
BS Greenland Turbot	mt	83.732					0.000	0.000%
AI Greenland Turbot	mt	39.675					0.000	0.000%
Arrowtooth Flounder	mt	277.660	0.655				0.655	0.008%
Flathead Sole	mt	691.500	21.691				21.691	0.268%
Other Flatfish	mt	95.350	0.074				0.074	0.001%
Alaska Plaice	mt	220.500	0.004				0.004	0.000%
BS Pacific Ocean Perch	mt	50.503	0.061				0.061	0.001%
WAI Pacific Ocean Perch 543	mt	235.410					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	133.174					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	135.057					0.000	0.000%
BS Northern Rockfish	mt	0.000	0.007				0.007	0.000%
AI Northern Rockfish	mt	141.150					0.000	0.000%
BS Shortraker/Rougheye Rockfish	mt	0.000					0.000	0.000%
AI Shortraker/Rougheye Rockfish	mt	22.540					0.000	0.000%
BS Other Rockfish	mt	25.680	0.021				0.021	0.000%
AI Other Rockfish	mt	13.640					0.000	0.000%
Other Species	mt	517.962	8.246				8.246	0.102%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	3,093.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	15,452.640					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	99,123.000					0.000	0.000
Opilio Tanner Crab	ea	148,380.000					0.000	0.000
Pacific Halibut (mortality)	mt	127.260	0.383				0.383	0.000
Chinook Salmon	ea	398.000	169.705				169.705	0.021
Non-Chinook Salmon	ea	607.000					0.000	8.000

Pacific Cod Target Fishery Harvest Activity								
First Quarter as of March 31, 2003								
		Allocation					YTD Harvest	% of Target Harvest
CDQ Reserve Category	Units after transfers		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
A Season (60%)	mt	2,100.305	1,045.991				1,045.991	100.0%
B Season (40%)	mt	1,400.204					0.000	0.0%
Pacific Cod Total	mt	3,500.509	1,045.991	0.000	0.000	0.000	1,045.991	100.0%
<b>Bycatch</b>								
Non Pollock Quota	mt	N/A	6.011				6.011	0.6%
BS FG Sablefish	mt	58.000					0.000	0.0%
AI FG Sablefish	mt	88.350					0.000	0.0%
BS Sablefish	mt	43.072					0.000	0.0%
AI Sablefish	mt	23.670					0.000	0.0%
WAI Atka Mackerel 543	mt	815.176					0.000	0.0%
CAI Atka Mackerel 542	mt	1,204.367					0.000	0.0%
EAI/BS Atka Mackerel 541	mt	423.639					0.000	0.0%
Yellowfin Sole	mt	3,569.440					0.000	0.0%
Rock Sole	mt	1,802.200	0.126				0.126	0.0%
BS Greenland Turbot	mt	83.732					0.000	0.0%
AI Greenland Turbot	mt	39.675					0.000	0.0%
Arrowtooth Flounder	mt	277.660	1.259				1.259	0.1%
Flathead Sole	mt	691.500	1.150				1.150	0.1%
Other Flatfish	mt	95.350					0.000	0.0%
Alaska Plaice	mt	220.500					0.000	0.0%
BS Pacific Ocean Perch	mt	50.503					0.000	0.0%
WAI Pacific Ocean Perch 543	mt	235.410					0.000	0.0%
CAI Pacific Ocean Perch 542	mt	133.174					0.000	0.0%
EAI Pacific Ocean Perch 541	mt	135.057					0.000	0.0%
BS Northern Rockfish	mt	0.000					0.000	0.0%
AI Northern Rockfish	mt	141.150					0.000	0.0%
BS Shortraker/Rougheye Rockfish	mt	0.000					0.000	0.0%
AI Shortraker/Rougheye Rockfish	mt	22.540					0.000	0.0%
BS Other Rockfish	mt	25.680	0.006				0.006	0.0%
AI Other Rockfish	mt	13.640					0.000	0.0%
Other Species	mt	517.962	115.007				115.007	11.0%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	3,093.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	15,452.640					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	99,123.000					0.000	0.000
Opilio Tanner Crab	ea	148,380.000					0.000	0.000
Pacific Halibut (mortality)	mt	127.260	0.973				0.973	0.001
Chinook Salmon	ea	398.000					0.000	0.000
Non-Chinook Salmon	ea	607.000					0.000	0.000

Atka Mackerel / Pacific Ocean Perch Target Fisheries Harvest Activity								
First Quarter as of March 31, 2003								
CDQ Reserve Category	Units	Allocation transfers	after 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
WAI Atka Mackerel 543	mt	815.176					0.000	0.0%
CAI Atka Mackerel 542	mt	1,204.367					0.000	0.0%
EAI/BS Atka Mackerel 541	mt	423.639	374.435				374.435	100.0%
Atka Mackerel Total	mt	2,443.182	374.435	0.000	0.000	0.000	374.435	100.0%
<b>Bycatch</b>								
Non Pollock Quota	mt	N/A	14.017				14.017	3.7%
Pacific Cod	mt	3,500.509	4.943				4.943	1.3%
BS FG Sablefish	mt	58.000					0.000	0.0%
AI FG Sablefish	mt	88.350					0.000	0.0%
BS Sablefish	mt	43.072	0.211				0.211	0.1%
AI Sablefish	mt	23.670					0.000	0.0%
Yellowfin Sole	mt	3,569.440					0.000	0.0%
Rock Sole	mt	1,802.200	0.009				0.009	0.0%
BS Greenland Turbot	mt	83.732					0.000	0.0%
AI Greenland Turbot	mt	39.675	0.208				0.208	0.1%
Arrowtooth Flounder	mt	277.660	14.263				14.263	3.8%
Flathead Sole	mt	691.500	0.180				0.180	0.0%
Other Flatfish	mt	95.350	1.119				1.119	0.3%
Alaska Plaice	mt	220.500					0.000	0.0%
BS Pacific Ocean Perch	mt	50.503					0.000	0.0%
WAI Pacific Ocean Perch 543	mt	235.410					0.000	0.0%
CAI Pacific Ocean Perch 542	mt	133.174					0.000	0.0%
EAI Pacific Ocean Perch 541	mt	135.057	122.326				122.326	32.7%
BS Northern Rockfish	mt	0.000					0.000	0.0%
AI Northern Rockfish	mt	141.150	12.566				12.566	3.4%
BS Shortraker/Rougheye Rockfish	mt	0.000					0.000	0.0%
AI Shortraker/Rougheye Rockfish	mt	22.540	0.377				0.377	0.1%
BS Other Rockfish	mt	25.680					0.000	0.0%
AI Other Rockfish	mt	13.640	2.260				2.260	0.6%
Other Species	mt	517.962	1.984				1.984	0.5%
<b>PSQ Reserve Category</b>								
Zone 1 Red King Crab	ea	3,093.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	15,452.640					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	99,123.000					0.000	0.000
Opilio Tanner Crab	ea	148,380.000					0.000	0.000
Pacific Halibut (mortality)	mt	127.260	1.947				1.947	0.005
Chinook Salmon	ea	398.000					0.000	0.000
Non Chinook Salmon	ea	607.000					0.000	0.000



<b>Crab Harvest Activity</b> <b>First Quarter as of March 31, 2003</b>												
CDQ Reserve Category	Units	Annual Allocation	Transferred In	Transferred Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
Bering Sea C. <i>Opilio</i> (snow) Tanner crab	lbs	424,609			424,609	423,289				423,289	99.7%	1,320
Bering Sea C. <i>Bairdi</i> Tanner crab	lbs				0					0		0
Bristol Bay Red King crab	lbs				0					0		0
Norton Sound Red King crab	lbs				0					0		0
Pribilof Red & Blue King crab	lbs				0					0		0
St Matthew Blue King crab	lbs				0					0		0

MS CDQ / PSQ Account Status Report 2003													
CDQ Group: BBEDC	Units	Initial Allocation Amount	Transferred In	Transferred Out	Allocation after transfers	CDQ / PSQ Catch Reported				YTD Harvest	Percent Harvested	CDQ / PSQ Remaining	Percent Remaining
CDQ Reserve Category						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Harvest			
BS Pollock	mt	31,326.960	0.000	11,000.000	20,326.960	8,105.451	0.000	0.000	0.000	8,105.451	39.9%	12,221.509	60.12%
Pacific Cod	mt	3,268.230	275.279	43.000	3,500.509	1,076.772	0.000	0.000	0.000	1,076.772	30.8%	2,423.737	69.24%
BS FG Sablefish	mt	58.000	0.000	0.000	58.000	0.000	0.000	0.000	0.000	0.000	0.0%	58.000	100.00%
AI FG Sablefish	mt	88.350	0.000	0.000	88.350	0.000	0.000	0.000	0.000	0.000	0.0%	88.350	100.00%
BS Sablefish	mt	23.980	19.092	0.000	43.072	0.211	0.000	0.000	0.000	0.211	0.5%	42.861	99.51%
AI Sablefish	mt	11.600	12.070	0.000	23.670	0.000	0.000	0.000	0.000	0.000	0.0%	23.670	100.00%
WAI Atka Mackerel 543	mt	224.850	590.326	0.000	815.176	0.000	0.000	0.000	0.000	0.000	0.0%	815.176	100.00%
CAI Atka Mackerel 542	mt	330.300	874.067	0.000	1,204.367	0.000	0.000	0.000	0.000	0.000	0.0%	1,204.367	100.00%
EAI/BS Atka Mackerel 541	mt	119.850	303.889	0.100	423.639	374.435	0.000	0.000	0.000	374.435	88.4%	49.204	11.61%
Yellowfin Sole	mt	1,507.440	2,082.000	20.000	3,569.440	1.281	0.000	0.000	0.000	1.281	0.0%	3,568.159	99.96%
Rock Sole	mt	759.000	1,074.200	31.000	1,802.200	31.125	0.000	0.000	0.000	31.125	1.7%	1,771.075	98.27%
BS Greenland Turbot	mt	40.200	43.532	0.000	83.732	0.000	0.000	0.000	0.000	0.000	0.0%	83.732	100.00%
AI Greenland Turbot	mt	18.810	20.865	0.000	39.675	0.208	0.000	0.000	0.000	0.208	0.5%	39.467	99.48%
Arrowtooth Flounder	mt	163.300	114.360	0.000	277.660	16.177	0.000	0.000	0.000	16.177	5.8%	261.483	94.17%
Flathead Sole	mt	315.000	406.500	30.000	691.500	23.021	0.000	0.000	0.000	23.021	3.3%	668.479	96.67%
Other Flatfish	mt	54.000	45.350	4.000	95.350	1.193	0.000	0.000	0.000	1.193	1.3%	94.157	98.75%
Alaska Plaice	mt	157.500	68.000	5.000	220.500	0.004	0.000	0.000	0.000	0.004	0.0%	220.496	100.00%
BS Pacific Ocean Perch	mt	22.260	28.243	0.000	50.503	0.061	0.000	0.000	0.000	0.061	0.1%	50.442	99.88%
WAI Pacific Ocean Perch 543	mt	65.850	169.560	0.000	235.410	0.000	0.000	0.000	0.000	0.000	0.0%	235.410	100.00%
CAI Pacific Ocean Perch 542	mt	37.450	95.724	0.000	133.174	0.000	0.000	0.000	0.000	0.000	0.0%	133.174	100.00%
EAI Pacific Ocean Perch 541	mt	39.450	95.607	0.000	135.057	122.326	0.000	0.000	0.000	122.326	90.6%	12.731	9.43%
BS Northern Rockfish	mt	0.000	0.000	0.000	0.000	0.007	0.000	0.000	0.000	0.007	N/A	N/A	N/A
AI Northern Rockfish	mt	66.150	75.000	0.000	141.150	12.566	0.000	0.000	0.000	12.566	8.9%	128.584	91.10%
BS Shortraker/Rougheye Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	N/A	N/A	N/A
AI Shortraker/Rougheye Rockfish	mt	10.540	12.000	0.000	22.540	0.377	0.000	0.000	0.000	0.377	1.7%	22.163	98.33%
BS Other Rockfish	mt	13.680	12.000	0.000	25.680	0.027	0.000	0.000	0.000	0.027	0.1%	25.653	99.89%
AI Other Rockfish	mt	8.640	5.000	0.000	13.640	2.260	0.000	0.000	0.000	2.260	16.6%	11.380	83.43%
Other Species	mt	432.505	85.457	0.000	517.962	125.237	0.000	0.000	0.000	125.237	24.2%	392.725	75.82%
<b>PSQ Reserve Category</b>													
Zone 1 Red King Crab	ea	1,528.000	1,565.000	0.000	3,093.000	0.000	0.000	0.000	0.000	0.000	0.00%	3,093.000	100.00%
Zone 1 Bairdi Tanner Crab	ea	17.640	15,435.000	0.000	15,452.640	0.000	0.000	0.000	0.000	0.000	0.00%	15,452.640	100.00%
Zone 2 Bairdi Tanner Crab	ea	51,233.000	47,890.000	0.000	99,123.000	0.000	0.000	0.000	0.000	0.000	0.00%	99,123.000	100.00%
Opilio Tanner Crab	ea	78,300.000	70,145.000	65.000	148,380.000	0.000	0.000	0.000	0.000	0.000	0.00%	148,380.000	100.00%
Pacific Halibut (mortality)	mt	75.460	54.300	2.500	127.260	3.303	0.000	0.000	0.000	3.303	2.60%	123.957	97.40%
Chinook Salmon	ea	520.000	0.000	122.000	398.000	169.705	0.000	0.000	0.000	169.705	42.64%	228.295	57.36%
Non-Chinook Salmon	ea	662.000	0.000	55.000	607.000	0.000	0.000	0.000	0.000	0.000	0.00%	607.000	100.00%
<b>Non-Specific Reserve</b>	<b>mt</b>	<b>106.025</b>			<b>106.025</b>								

### Atka Mackerel Target Fishery Harvest by Group, First Quarter as of March 31, 2003

CDQ Group: BBEDC CDQ Reserve Category	Units	Initial Allocation Amount	Transferred In			Transferred Out	Total After Transfers	Portion of CDQ Group's Transferred Quota Harvested				
			CBSFA	CVRF	YDFDA			BBEDC	CBSFA	CVRF	YDFDA	Total
BS Pollock	mt	31,326.960				11,000.000	20,326.960					
Pacific Cod	mt	3,268.230	42.000	115.000	118.279	43.000	3,500.509	1.501	0.525	1.438	1.479	4.943
BS FG Sablefish	mt	58.000				0.000	58.000					
AI FG Sablefish	mt	88.350				0.000	88.350					
BS Sablefish	mt	23.980	3.924	5.668	9.500	0.000	43.072					
AI Sablefish	mt	11.600	2.320	3.750	6.000	0.000	23.670	0.070	0.027	0.044	0.070	0.211
WAI Atka Mackerel 543	mt	224.850	110.326	220.000	260.000	0.000	815.176					
CAI Atka Mackerel 542	mt	330.300	162.067	325.000	387.000	0.000	1,204.367					
EAI/BS Atka Mackerel 541	mt	119.850	56.889	110.000	137.000	0.100	423.639	100.177	51.342	99.274	123.642	374.435
Yellowfin Sole	mt	1,507.440	412.000	270.000	1,400.000	20.000	3,569.440					
Rock Sole	mt	759.000	211.200	255.000	608.000	31.000	1,802.200	0.003	0.001	0.001	0.003	0.009
BS Greenland Turbot	mt	40.200	6.432	17.000	20.100	0.000	83.732					
AI Greenland Turbot	mt	18.810	3.465	8.000	9.400	0.000	39.675	0.063	0.024	0.056	0.065	0.208
Arrowtooth Flounder	mt	163.300	27.540	19.500	67.320	0.000	277.660	5.416	2.131	1.509	5.208	14.263
Flathead Sole	mt	315.000	94.500	102.000	210.000	30.000	691.500	0.055	0.029	0.031	0.064	0.180
Other Flatfish	mt	54.000	8.100	1.250	36.000	4.000	95.350	0.398	0.129	0.020	0.573	1.119
Alaska Plaice	mt	157.500	24.375	140.000	68.000	5.000	384.875					
BS Pacific Ocean Perch	mt	22.260	3.943	13.800	10.500	0.000	50.503					
WAI Pacific Ocean Perch 543	mt	65.850	19.357	63.250	74.000	0.000	222.457					
CAI Pacific Ocean Perch 542	mt	37.450	18.474	35.250	42.000	0.000	133.174					
EAI Pacific Ocean Perch 541	mt	39.450	32.310	32.250	44.000	0.000	148.010	29.823	27.531	27.480	37.492	122.326
BS Northern Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000					
AI Northern Rockfish	mt	66.150	0.000	40.000	35.000	0.000	141.150	3.998	0.000	4.569	3.998	12.566
BS Shortraker/Rougheye Rockfish	mt	0.000	0.000	0.000	0.000	0.000	0.000					
AI Shortraker/Rougheye Rockfish	mt	10.540	0.000	5.000	7.000	0.000	22.540	0.111	0.000	0.111	0.155	0.377
BS Other Rockfish	mt	13.680	0.000	6.000	6.000	0.000	25.680					
AI Other Rockfish	mt	8.640	0.000	0.500	4.500	0.000	13.640	1.004	0.000	0.126	1.130	2.260
Other Species	mt	432.505	9.266	10.000	66.191	0.000	517.962	0.818	0.126	0.136	0.903	1.984
<b>PSQ Reserve Category</b>												
Zone 1 Red King Crab	ea	1,528.000	291.000	437.000	837.000	0.000	3,093.000					
Zone 1 Bairdi Tanner Crab	ea	17.640	2,940.000	2,940.000	9,555.000	0.000	15,452.640					
Zone 2 Bairdi Tanner Crab	ea	51,233.000	8,910.000	12,250.000	26,730.000	0.000	99,123.000					
Opilio Tanner Crab	ea	78,300.000	13,050.000	16,313.000	40,782.000	65.000	148,380.000					
Pacific Halibut (mortality)	mt	75.460	10.800	6.000	37.500	2.500	127.260	0.776	0.233	0.129	0.809	1.947
Chinook Salmon	ea	520.000				122.000	398.000					
Non-Chinook Salmon	ea	662.000				55.000	607.000					

## **Pollock Harvesting Activity:**

### **1) Summary of harvesting activities by target fishery:**

During the first quarter of 2003, the Arctic Fjord harvested 8,105.451 Mt of CDQ Pollock. In addition, BBEDC transferred 11,000 MT of pollock to CVRF, of which roughly 40% was harvested. Please see CVRF's quarterly report for details.

### **2) Summary of bycatch:**

Bycatch was generally good this quarter. During the winter of 2003, the Pollock fleet experienced a large number of Chinook salmon as bycatch. The Arctic Fjord was able to avoid many of the Chinook while fishing CDQ. This was mainly done by timing and area. The Arctic Fjord intercepted 172 Chinook salmon during the first quarter of 2003.

## **Pacific Cod Harvesting Activity:**

### **1) Summary of harvesting activities by target fishery:**

The Bristol Leader and Alaska Leader collectively harvested roughly 1,046 MT of cod after the open access A Season ended. Harvesting continued through the second quarter. The Bristol Leader is expected to harvest the remaining A season allocation of cod before the end of the 2<sup>nd</sup> quarter.

### **2) Summary of bycatch:**

Bycatch was below past performance. Both Other Species and Halibut PSQ rates appear very good so far.

## **Atka mackerel Harvesting Activity:**

### **1) Summary of harvesting activities by target fishery:**

The SeaFreeze Alaska harvest about 375 MT of Atka Mackerel for BBEDC, CBSFA, CVRF, and YDFDA collectively. The second Atka Mackerel table above shows what each individual CDQ group contributed to the pool and what portion of the total harvest is attributed to each CDQ group.

### **2) Summary of bycatch:**

Bycatch appears to be within normal parameters for the Atka mackerel fishery.

## **Opilio Crab Harvesting Activity:**

**1) Summary of harvesting activities by target fishery:**

The Bristol Mariner, Nordic Mariner and Northern Mariner collectively harvested 423,289 pounds of BBEDC's CDQ Opilio allocation. Of this amount, there were 2,955 pounds of deadloss. The overall utilization of BBEDC's opilio quota was 99.7%

**2) Summary of bycatch:**

There was no bycatch data reported in the Bering Sea opilio fishery.

**B. Processing Report**

**Pollock Processing Activities**

During the first quarter, the Arctic Fjord produced 1,192.94 Mt of surimi, 415.5 Mt of block; 87.58 Mt of mince, and 226.11 Mt of roe, for an overall recovery rate of 23.72%.

**Pacific Cod Processing Activities**

The Pacific Cod processed on the Bristol Leader and Alaskan Leader was made into both collarbone on and collarbone off product forms.

**Atka mackerel Processing Activities**

The Atka Mackerel and POP harvested were processed into an H&G product form. The bycatch of rockfish and cod were processed in a similar fashion.

**Opilio Crab Processing Activities**

Icicle Seafood's processed all of BBEDC's CDQ crab into various product forms.

**C. Compliance/Enforcement Issues**

There were no compliance or enforcement issues reported in the 1st quarter pollock, cod, Atka Mackerel, or Opilio fisheries.

**D. Other Fishing Issues/Activities**

No Other Fishing Issues/Activities to report.